# THE PRESIDENT

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## Putting Glue in the "Linking Pin"

### By A. Paul Bradley, Jr.

Most CEOs are familiar with the "linking pin concept." First described by Rensis Likert in his classic book *New Patterns in Management*, the concept provides a visual image of a cohesive organization in which everyone pulls toward common goals. This concept has a simplicity about it that is compelling. But it is an elusive ideal without some important understandings.

#### **Interlocked and Interlinked Teams**

Likert suggested that organizations are really federations of interlocked or interlinked teams and that all "link pin managers" have three roles to play in planning. First, they must provide leadership of their own team in the planning process. However, as a member of the management team, they also must contribute to the processes of that group. Thus, they tie one team to another. But the model is not complete. For the organization to be truly successful, information must go from those who have it to anyone who needs it. Likert called these "coordinating" relationships, and it is here where problems often arise. These problems include lack of knowledge of the objectives, lack of coordination between departments, lack of commitment arising from isolation at the top, and/or little understanding of where one fits in.

#### **Refocus on Results**

Too often, companies develop performance appraisal systems that start from the question, "What do you do?" This approach leads to measurement of activity. Everyone becomes busy, but the question is whether anything gets done. A far better base question might be, "What results will exist at some future point if you have done a good job?" As CEO, *results* are what you care about; you're not concerned with how they occurred (presuming, of course, legality and compliance with corporate ethics and policy).

This seems a simple concept. It is. But in company after company, the job description that describes activity is the primary tool of the one-to-one manager/direct report relationship. Instead, what is needed is a manageable system that puts the focus on results. Each team needs to develop objectives in the planning process, then each member of the team needs to identify his or her personal areas of accountability (key results) and how the manager will know they have been achieved (standards or performance indicators). Each manager's standards then form the framework for the team's objectives, and these people then, in turn, identify the next set of accountabilities and standards.

An Accountabilities and Standards form becomes the "glue" that enables the "linking pin" concept to work, and is based on work done by long-time Presidents Association speaker John O. Alexander. It begins with a job mission that is a short statement describing why the job exists. It should tie into the departmental mission that in turn should relate clearly to the company mission. The job mission is closely interrelated to the key accountabilities that are prioritized descriptions of the expected result areas.

In identifying key accountabilities, one should look for result areas in which failure to perform would lead to serious personal embarrassment. There are usually no more than four, seldom more than five, for any given individual.

The key accountability areas should be prioritized according to percentage of importance. The precise percentages selected do not mean much but the interrelationship can help a CEO at a glance to see how managers view their priorities.

#### **Performance Indicators**

With the key accountabilities identified, the next question is, "How do we know that satisfactory performance has occurred?" The answers will be performance indicators or standards. They should be challenging but possible to achieve, and they should be written in a manner that makes them measurable. The idea is to determine ahead of time the conditions for celebrating success. This final step begins with the question, "What do you do to get the desired results?"

The accountability and standards form properly implemented can serve as the primary tool of a management system focused on *performance*, the key ingredient in putting "glue" in the "linking pin" concept. \*

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